

Olmstead Update – November 2002

Serving People with Long-Term Care and Support Needs in Communities

Background

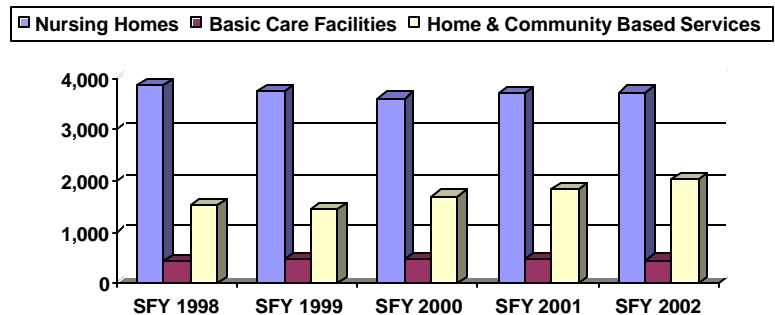
In the early 1980s, the federal government acknowledged that the Medicaid Program had a bias toward funding institutional care. To address that bias, states were allowed to request 'waivers' to provide services in the home and/or community to individuals who would otherwise require nursing home care.

In 1983, North Dakota implemented the Medicaid Waiver for the Aged and Disabled and the Service Payments for Elderly and Disabled (SPED) Program to reduce the reliance on institutional care by offering quality services in an alternative setting. The purpose was to develop a delivery system that is consumer-focused, affordable, and based on a social model, not a medical model, in order to serve the aged and physically disabled, who, because of their impairments, have difficulty completing activities that enable them to remain in their own homes. Home and community-based services were expanded in 1994 when North Dakota implemented the Medicaid Waiver for persons with Traumatic Brain Injury (TBI Waiver) and the Expanded Services Payments for Elderly and Disabled Program (Expanded-SPED). The Expanded-SPED program is a companion to the Basic Care Assistance Program that allows for payment of services to residents in basic care.

Current Status

The state's changing demographics will create significant challenges to meet future service needs of older North Dakotans. According to the 2000 Census, there are 118,985 individuals over the age of 60. By the year 2010, that number is projected to climb to 156,610. This stark increase, coupled with the continued loss of younger population groups, emphasizes the need to continue to seek alternative means of care to enable older individuals to maximize their independence and live in the least restrictive environment.

People Served by Long Term Care Services Paid for by the Department of Human Services Monthly Average



Several studies related to services for people with disabilities and long-term illnesses are underway in the state, including the National Family Caregivers Study and the legislatively funded Long-Term Care Study. When completed later this fall, these studies will provide policy makers and others with important information about existing services and consumer needs. In addition, the \$900,000 federal Real Choices Systems Change Grant that North Dakota recently received, will help the state implement changes to assure consumer-focused, community-based service for all people with disabilities of all ages.

Array of Services and Eligibility

Home and community-based long-term care services provided through Department of Human Services programs include: case management, homemaker, personal care, adult family foster care, respite, adult day care, non-medical transportation, chore services, emergency response, home and environmental modifications, specialized equipment, and family home care.

Eligibility is based on age and physical disability, financial eligibility criteria, and level of functioning.

In addition to these services, about 25,000 North Dakotans per year receive supportive services funded by the Older Americans Act such as meals on wheels, congregate meals, and other services that help sustain health, independence and well being.

OVER →

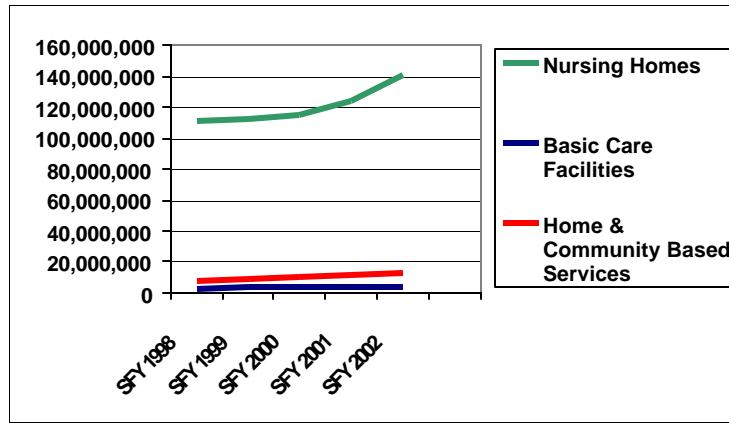
People Served

- The unduplicated number of people served under the SPED Program has grown from 356 in 1984 to 2,341 in 2001. The number of people receiving services paid for by the Expanded-SPED Program has remained fairly constant.
- Participation in the Medicaid Waiver for the Aged and Disabled has grown steadily since 1998. In 2001, 453 people received home and community-based services through the program.
- The average number of people receiving Medicaid-funded nursing home services has decreased from a monthly average of 3,869 in 1998 to 3,730 in 2002 (state fiscal year data).

Funding

- North Dakota commits 21 percent of its Human Services budget to nursing home care and 3 percent to home and community-based long-term care services (*DHS 2001-2003 budget*).
- N.D. is committing about \$299 million this biennium for Medicaid nursing home care for about 3,700 people per month.
- In State Fiscal Year 2002, the average cost per client for nursing home care in N.D. was \$37,801 per year.
- In comparison, in State Fiscal Year 2002, the average cost per client per year for people served in their homes under the Medicaid waiver in N.D. was about \$13,777. (These people qualified for admission to a nursing home, but chose and qualified for home and community-based services through the waiver.)

Department of Human Services
Funding for Long-Term Care Services in N.D.
1998 – 2002



North Dakota Department of Human Services
600 E Boulevard Avenue Bismarck ND 58505-0250
(701) 328-2310 / TTY (701) 328-3480

The funding sources for the state's home and community-based long-term care service programs (HCBS) are as follows:

- SPED program – 95 percent state general funds; five percent county funds,
- Expanded-SPED program – 100 percent state general funds,
- Medicaid Waivers – 70 percent federal funds; 30 percent state general funds.

How Does North Dakota Compare?

- 1st** In 2001, N.D. had more nursing home residents per 1,000 persons age 65+ than any other state in the nation. ¹
- 8th** That year N.D. ranked eighth in nursing facility beds per capita. ²
- 3rd** According to an industry survey conducted in 2001, N.D. had the third lowest turnover rate in the nation for certified nursing assistants (CNAs) working in nursing facilities. The turnover rates for RNs and LPNs working in nursing facilities in N.D. were even lower (28.4 percent compared to the national RN turnover rate of 56.2 percent and 24.8 percent compared to the national LPN rate of 53.6 percent) ³

The Future

Services for people with disabilities of all ages in North Dakota will continue to adapt to changing expectations and standards. The input from consumers and families regarding services and program decisions is vital to this process.

Provider-driven services are evolving into service delivery systems that put consumers and their preferences at the forefront. The resulting competition often leads to lesser restrictive services. Gaps in existing services are also addressed. As the department strives to find efficiencies, we will continue working to assure that the unique needs and goals of the people receiving services remain the focus.

- Carol K. Olson, DHS Executive Director

Notes

¹ 2001 Nursing Home Statistical Yearbook, Cowles Research Group

² Ibid.

³ Results of the 2001 AHCA Nursing Position Vacancy and Turnover Survey, Health Services Research and Evaluation – American Healthcare Association, February 7, 2002, www.ahca.org/research/vacancysurvey_020207.pdf